

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2253 - SB 2183

March 5, 2018

SUMMARY OF BILL: Prohibits, after July 1, 2018, a state government entity from contracting with an internet service provider who does not practice net neutrality. Prohibits an internet service provider who contracts with a state government entity from supplying goods or services to any state government entity for one year upon a determination by the Tennessee Public Utility Commission (TPUC) that the provider is not practicing net neutrality.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Internet service providers, who provide internet service to the state, will be prohibited from (1) blocking lawful content, applications, or services; (2) impairing or degrading lawful internet traffic on the basis of internet content; (3) unreasonably interfering with or disadvantaging either the state or an employee's ability to use broadband internet access service or an edge provider's ability to make lawful content available to the state; and (4) engaging in deceptive or misleading marketing practices that misrepresent the treatment of internet traffic or content to the state.
- After July 1, 2018, state government entities will be prohibited from contracting with an internet service provider unless the provider agrees to practice net neutrality.
- According to the Department of General Services, there is currently only one internet service provider contracting with state entities.
- In order to maintain current contracts with state entities, the current internet service provider will agree to practice net neutrality.
- Requires the chief procurement officer to declare that any internet service provider contracting with the state who does not practice net neutrality cannot contract for or submit a response for any contract to supply goods or services to a state governmental entity for a period of one year.
- According to the TPUC and the Department of General Services, the requirements of this legislation can be accommodated within existing resources of the entities.
- Any fiscal impact to state government is estimated to be not significant.

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IMPACT TO COMMERCE:

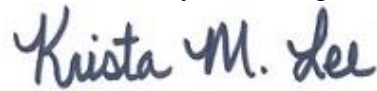
NOT SIGNIFICANT

Assumptions:

- Any internet service provider who wishes to contract with the state after July 1, 2018, will agree to practice net neutrality as a condition of providing internet service to the state at no additional cost to the internet service provider.
- Any impact to commerce or jobs in Tennessee as a result of internet service providers practicing net neutrality is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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